

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN M. ROONEY
Assistant Chief Counsel
3 JUDY L. HARTLEY (CA BAR NO. 110628)
Senior Corporations Counsel
4 Department of Business Oversight
320 West 4th Street, Ste. 750
5 Los Angeles, California 90013-2344
Telephone: (213) 576-7604 Fax: (213) 576-7181

6 Attorneys for Complainant

8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA

11 In the Matter of THE COMMISSIONER OF) File No.: 963-1835
BUSINESS OVERSIGHT,)
12)
13 Complainant,) NOTICE AND SUMMARY OF FINDINGS
Pursuant to Financial Code
14 vs.) SECTION 17621
15)
COOPER’S ESCROW,)
16)
Respondent.)
17)
18)

19 TO: COOPER’S ESCROW
8111 Eastern Avenue
Bell Gardens, California 90201

22 COMERICA BANK
2321 Rosecrans Avenue, Suite 5000
El Segundo, California 90245

24 UNION BANK
25 445 South Figueroa Street
26 Los Angeles, California 90071

1 Please take notice that the Commissioner of Business Oversight finds:

2 1. On April 21, 2014, the Commissioner of Business Oversight (“Commissioner”)
3 commenced an action to revoke the escrow agent’s license of Cooper’s Escrow (“Cooper’s”) and to
4 bar its president and sole shareholder, Vilma E. Cooper (V. Cooper”), from any position of
5 employment, management or control. The pleadings were personally served on Cooper’s and V.
6 Cooper on April 22, 2014. Cooper’s and V. Cooper filed Notices of Defense with the Commissioner
7 and a three-day hearing was scheduled for November 17, 18 and 19, 2014 at the Los Angeles Office
8 of Administrative Hearings.

9 2. On November 4, 2014, the parties entered into a settlement wherein Cooper’s agreed
10 to the revocation of its escrow agent’s license and V. Cooper agreed to be barred from any position
11 of employment, management or control of any escrow agent. The revocation and bar were to
12 become effective on December 31, 2014 in order to allow Cooper’s time to wind down the business.

13 3. On or about January 26, 2015, the Commissioner, by and through staff, visited the
14 former licensed location of Cooper’s to investigate whether Cooper’s and V. Cooper were
15 continuing to engage in escrow activities. Cooper’s was not open at the time the Department of
16 Business Oversight’s (“Department”) examiner first arrived at Cooper’s, but there were signs
17 indicating Cooper’s was still in business and a neighboring tenant confirmed that Cooper’s remained
18 in business. The Department’s examiner returned to Cooper’s former licensed location later on
19 January 26, 2015 and commenced a special examination. V. Cooper was the only person at
20 Cooper’s when the examiner commenced the special examination. The special examination
21 disclosed that Cooper’s had continued to engage in escrow activities after Cooper’s escrow agent’s
22 license was revoked and V. Cooper was barred in violation of the orders and Financial Code sections
23 17200 and 17423. Cooper’s had continued processing escrows that remained open as of December
24 31, 2015, and, according to its records, had opened at least two further escrows since the revocation
25 and bar orders took effect.

26 4. The balance in the trust account was \$159,487.31 as of December 31, 2014 and
27 \$110,619.65 as of January 26, 2015. Documentation obtained from Cooper’s on January 26, 2015
28 disclosed an escrow liability of \$95,865.47 as January 26, 2015.

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- 5. Financial Code section 17621 provides in pertinent part:
Whenever it appears to the commissioner that any escrow agent subject to this division:
...
(b) Is conducting escrow business in an unsafe or unauthorized manner;

(c) Has violated its charter or any law of the State of California;
...
(e) Neglects or refuses to observe and order of the commissioner made pursuant to the provisions of this division, within the time specified therein . . . ;
...

the commissioner shall dispatch a written notice and summary of findings, as referred to in Section 17415, to the principal officer of the escrow agent involved or to its manager of record; and such escrow agent shall be afforded a reasonable opportunity to comply or otherwise effect such remedy as the commissioner may deem acceptable. However, should the escrow agent so notified fail to comply within five days of receipt of the notice, or as soon as it appears to the commissioner that no compliance is possible, or in the event prompt delivery of the prescribed written notice is impossible, the commissioner may forthwith take possession of the property and business of such escrow agent and retain possession until such escrow agent resumes business or its affairs be finally liquidated as provided in this chapter. The escrow agent, with the consent of the commissioner, may resume business upon such conditions as the commissioner may prescribe.

6. Based upon the foregoing, the Commissioner finds that Cooper’s Escrow has violated orders of the Commissioner and Financial Code sections 17200 and 17423, and is conducting escrow business in such an unsafe and unauthorized manner, that no compliance is possible.

Dated: January 29, 2015
Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
Judy L. Hartley
Senior Corporations Counsel
Enforcement Division